



Joan McDonald
Commissioner



State of Connecticut
Department of Economic and
Community Development

***TESTIMONY SUBMITTED TO THE ENVIRONMENT COMMITTEE
February 23, 2009***

*Joan McDonald, Commissioner
Department of Economic and Community Development*

***HB 5267 AN ACT CONCERNING THE USE OF FUNDS UNDER THE SMALL TOWN
ECONOMIC ASSISTANCE PROGRAM FOR PROJECTS THAT CONVERT FARMLAND
TO OTHER USES***

The Department of Economic and Community Development (DECD) offers the following information on *HB 5267 AN ACT CONCERNING THE USE OF FUNDS UNDER THE SMALL TOWN ECONOMIC ASSISTANCE PROGRAM FOR PROJECTS THAT CONVERT FARMLAND TO OTHER USES*.

DECD realizes and understands how important agriculture is to this state. We just completed a comprehensive study of Connecticut's dairy industry. The numbers were impressive. The economic impact of Connecticut's dairy industry (including processing) is estimated to be between \$832 million to \$1.1 billion in new output (sales), that in turn generates an estimated 2,465-4,242 jobs and \$145-\$208 million in additional personal income. The industry uses approximately 72,000 acres of land and is the second most valuable component of Connecticut's agricultural sector.

These are numbers we want to see grow, not diminish. However, while we understand the intent of HB 5267, we feel that legislation is not necessary. After a few unique scenarios arose with STEAP projects, DECD, OPM and the Department of Agriculture (DAG) held discussions to see what could be done administratively to avoid similar situations from happening again.

All three agencies are sensitive to the agriculture industry and responsible development and that is why we have an administrative review process which will specifically look at the land involved with each STEAP project. We are doing this to avoid previous situations from occurring again with future projects. Therefore, DECD does not believe that legislation is necessary.

Thank you for your time and consideration of the departments' comments.